

STATE OF SOUTH CAROLINA

(Caption of Case)

Application of JACABB Utilities, LLC for approval of an expansion of its existing water service area to include certain portions of Pickens County and request approval of the Water System Asset Purchase Agreements with Crawford Falls Owner's Assoc., Inc.

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2018 - 28 - W

(Please type or print)

Submitted by: Stephen R. Goldie

SC Bar Number: _____

Address: JACABB Utilities, LLCTelephone: 864-882-8194210 W. N. 2nd StreetFax: 864-882-0851Seneca, SC 29678

Other: _____

Email: sheilat@goldieassociates.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input checked="" type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input checked="" type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

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BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 2018-28-W

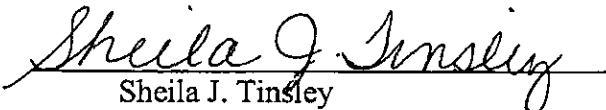
IN RE:

Application of JACABB Utilities, LLC for)
approval of an expansion of its existing)
water service area to include certain portions)
of Pickens County and request the approval)
of the Water System Asset Purchase)
Agreement with Crawford Falls Owner's)
Association, Inc.)
_____)

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of the
Application by placing same in the care and custody of the United States Postal Service
with first class postage affixed thereto and addressed as follows:

Dukes Scott
Office of Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29201


Sheila J. Tinsley

Seneca, South Carolina
This 10 day of January 2018

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2018-____-W

IN RE:

Application of JACABB Utilities, LLC)
for approval of an expansion of its existing)
water service area to include certain portions)
of Pickens County and request approval)
of the Water System Asset Purchase)
Agreements with Crawford Falls Owner's)
Associations, Inc.)
_____)

**APPLICATION OF EXPANSION
OF WATER SERVICE AREA AND
WATER SYSTEM ASSET
PURCHASE AGREEMENT**

JACABB Utilities, LLC ("Applicant" or "Utility"), pursuant to S.C. Code Ann §58-5-210 and Vol. 10 S.C. Code Ann. Regs. RR. 103-704, 103-743, and 103-503, hereby applies for an expansion of its authorized water service area to include certain portions of Pickens County, South Carolina, request approval of a pass-through charge for sewer and stormwater fees, and request approval of the Water System Asset Purchase Agreements with Crawford Falls Owner's Association, Inc., ("OA" or "Owner"). In support of this Application, Applicant would respectively show as follows:

1. Applicant is a public utility currently authorized to operate water and wastewater systems under the jurisdiction of the Commission in Pickens County, as well as certain other counties in this state. Its corporate charter is presently on file with the Commission and an appropriate bond has been posted with same. A schedule of rates and charges for

Applicant's water service has previously been approved by Commission Order No. 2008-697, Order Exhibit 2, in Docket No. 2008-173-W.

2. The water service area for which expansion is sought (the "Proposed Service Area") is located in Pickens County, South Carolina and includes multi-family residences in the Crawford Falls Subdivision owned by Crawford Falls Owner's Association, Inc.

3. The Applicant also seeks approval of an agreement entered into between Applicant and Crawford Falls Owner's Association, Inc. dated October 25, 2017 ("Agreement"), a copy of which is attached hereto and incorporated herein by reference as Exhibit A. The Agreement is conditioned upon approval of the Application by this Commission and approval by the South Carolina Department of Health and Environmental Control (SCDHEC).

4. City of Clemson is the water provider that serves the Proposed Service Area and has agreed to serve this multi-family subdivision by means of a master meter.

5. Applicant requests that it be allowed to provide water service in the Proposed Service Area pursuant to the rates and charges set forth in its existing monthly rate scheduled as approved under 2008-697, Order Exhibit 2, in Docket No. 2008-173-W.

6. Sewer service and stormwater service are provided by City of Clemson and billed with the invoice for the water master meter service. The Applicant is not responsible for the sewer service or stormwater service; however, Applicant will be responsible for calculating and collecting payment from the individual customers for these services. The Applicant hereby requests these charges for sewer service and stormwater service be

approved as a pass-through charge. The Applicant requests approval to disconnect water service for non-payment of these pass-through charges.

7. Applicant further requests approval of a monthly administration billing fee of \$4.50 to each homeowner and/or customer for the purpose of calculating, collection and processing the sewer charges and the stormwater flat fees that will be billed to the Applicant from the City of Clemson. The sewer services are provided by the City of Clemson and will be included in the monthly bill for the water service to the Applicant; also included in the monthly bill is a flat stormwater fee for each unit. This is an administrative fee for accommodating the City of Clemson in billing each individual customer for its sewer charges and stormwater fees. (See Affidavit attached as Exhibit "B") The Applicant is not seeking a new rate and, therefore, respectfully requests waiver of the provisions of Regulation 103-712.4.

8. Pursuant to Regulations 103-532.2 and 103-732.2 late payment charges can be charged for water and sewer bills not paid within 25 days of the billing date. In addition, Applicant requests late payment charges of one and one-half percent (1 and ½ %) be approved for stormwater and administrative fees not paid within 25 days of the billing date.

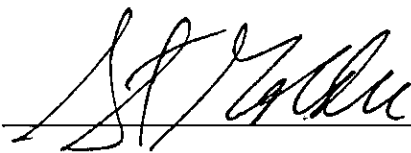
9. The Water System Asset Purchase Agreement with Crawford Falls Owner's Associations, Inc. provides, *inter alia*, that the OA will deliver and execute Bills of Sale and all required easements to the Applicant for the Crawford Falls water system. Performance of the Agreement is conditioned upon its approval by this Commission.

10. Applicant submits that the public convenience and necessity will be served by the approval of this Application. Applicant further requests that no hearing in this matter is required.

11. Applicant requests the Commission approve the attached Agreement, the monthly billing fee, the expansion of the water service territory for JACABB Utilities, LLC, the pass-through charges for sewer and stormwater fees from City of Clemson and, the late payment charges for stormwater and administrative fees.

12. WHEREFORE, having fully set forth its Application, Applicant prays that the Commission grant the requested expansion of its water service territory to include the entirety of the Proposed Service Areas in accordance with the terms and conditions of the foregoing agreement; that the terms, conditions, rates and charges approved by the Commission for Applicant's currently authorized water service territory and in effect from time to time, and as provided for in the agreement, apply to the provision of water service in the Proposed Service Area; that the pass-through for sewer and stormwater fees be approved; that late payment charges for stormwater and administrative fees be approved; that the waiver requested by the Applicant be granted; and that, if no intervention is filed, hearing on the within matter be waived and that Applicant be granted such other and further relief as the Commission may deem just and proper.

13. Within 10 business days after closing the agreement, notice shall be provided to this Commission and Office of Regulatory Staff announcing the closing date.



Stephen R. Goldie
Managing Owner
JACABB Utilities, LLC
210 W. N. 2nd Street
Seneca, SC 29678
(864) 882-8194

Oconee, South Carolina

This 10 day of January 2018

EXHIBIT A

**Water System Asset Purchase Agreement with
Crawford Falls Owner's Association, Inc.**

STATE OF SOUTH CAROLINA)	WATER SYSTEM
)	ASSET PURCHASE
COUNTY OF PICKENS)	AGREEMENT

THIS WATER SYSTEM ASSET PURCHASE AGREEMENT (hereinafter the "Agreement") is made and entered into this 25 day of October, 2017, by and between Crawford Falls Owner's Association, Inc, ("OA"), an association organized and existing under the laws of South Carolina, hereinafter referred to as "Sellers", and JACABB Utilities, LLC, a South Carolina limited liability company, hereinafter referred to as "Buyer" or "Utility".

RECITALS

1. The Sellers own the water system serving the owners in Crawford Falls (the "Development") in Pickens County, South Carolina. This water system is hereinafter referred to as the "System".
2. The Sellers desire to sell and the Buyer desires to purchase all of the properties, assets, and rights of the Sellers in and to the System, subject to the prior approval by the South Carolina Department of Health and Environmental Control ("DHEC") and the South Carolina Public Service Commission ("PSC").
3. The Sellers are willing to sell and to transfer such properties, assets, and rights to the Buyer in consideration of the purchase price set forth in Section Two hereof and in consideration of the Buyer assuming and agreeing to be responsible for the operation and maintenance of the System.

In consideration of the mutual covenants and promises contained in this Agreement, the parties hereto agree as follows:

SECTION ONE SUBJECT MATTER

Subject to the terms and conditions of this Agreement and the recitals hereinabove, the Sellers agree to sell and deliver to the Buyer, and the Buyer agrees to purchase and to take from the Sellers at Closing:

1. All of the properties, assets, licenses and permits, contracts, and other rights of Sellers of every kind and description, real, personal, mixed, tangible, and

intangible, wherever situated, utilized in the operation of the Crawford Falls Water System in Pickens County, South Carolina, and as listed on the attached Exhibit "A", which is incorporated herein by reference (the "Assets").

2. At Closing, the Buyer shall assume and thereafter be responsible for the maintenance and operation of the System as stated herein.
3. Up until the Date of Closing, Sellers shall be responsible for the continued operation of the System.

SECTION TWO **CONSIDERATION**

At Closing, as consideration for the sale and transfer of the System to the Buyer, the Buyer agrees to pay to Sellers the Purchase Price of One and no/100 (\$1.00) Dollar.

SECTION THREE **CONTINGENCIES**

This Agreement is made subject to the following contingencies:

1. This Agreement is specifically conditioned upon, and expressly subject to, the final approval of this sale prior to Closing by both the South Carolina Department of Health and Environmental Control and the South Carolina Public Service Commission. Within 30 days of the execution date of this Agreement, Utility will apply to the PSC for approval. All terms and conditions contained herein are subject to Utility receiving said approval from the PSC and DHEC.
2. This agreement is contingent upon having the nine (9) master meters from the City of Clemson transferred to the Utility. OA agrees to pay for the deposit of the City of Clemson's master meters. In the event that the deposit is refunded by the City of Clemson to the Utility, the Utility will ensure that the OA receives the refunded amount.
3. The conveyance of the Assets free and clear of all liens and encumbrances.
4. Buyer being able to obtain all permits and licenses necessary for the operation and maintenance of the System.
5. All existing meters are functioning properly and sending the correct readings.

6. OA agrees to pay to install meters on the spigots in two of the riser rooms. OA will pay to have all remaining spigots in riser rooms plugged. Utility must approve of any meter used and its installation.
7. OA will be responsible to ensure that all outside spigots are plugged.
8. OA agrees to a three month warranty, from the date of the closing, for materials and labor on any repairs or replacements on the water system. The Utility will inspect the system prior to closing. The OA will be responsible for any repairs or meter replacements that are discovered during this final inspection.

SECTION FOUR **CLOSING**

2. Closing Date. Unless the Closing Date is extended by the mutual consent of the parties, the Closing will be held within one hundred and sixty (160) days after the execution of this Agreement, or sooner if the required approvals are obtained and the other conditions and contingencies are met. The parties may mutually agree to extend the Closing Date by entering into an amendment to this Agreement in writing.
3. Closing. On the Closing Date, the following shall occur, subject to the satisfaction of the terms and conditions of this Agreement.
 - a. The Sellers shall execute and deliver to the Buyer an assignment of leases or rental agreements (if any) affecting the Assets.
 - b. The Sellers shall execute and deliver a Bill of Sale and/or a Warranty Deed transferring all the Assets of the System to the Buyer free and clear of all liens and encumbrances.
 - c. The Sellers shall transfer and convey to Buyer right-of-way easements, access easements and such other easements as are necessary for the operation of the System by Buyer.
 - d. The Sellers shall deliver possession of and access to the System and all of the Assets purchased by Buyer at Closing.
 - e. The Closing costs shall be paid by the parties as follows:
Sellers: To pay its own attorney's fees.

Buyer: To pay its own attorney's fees, any recording fees associated with the Closing and any other acquisition costs which it incurs.

- g. The Sellers shall deliver to Buyer at Closing all records pertaining to and necessary for the operation of the System, all records pertaining to the Assets being purchased, and all other information on file regarding the System.
- h. The Sellers shall provide an assignment of the right to provide water service to all property owners of the Subdivision.
- i. The Sellers shall provide any required documentation to transfer the sub-metering system to the Buyer.

SECTION FIVE **SELLERS'S REPRESENTATIONS AND WARRANTIES**

Sellers represent and warrant to, and agree with, Buyer as follows:

- 1. Sellers are associations duly organized, validly existing, and in good standing under the laws of South Carolina, with full corporate power and authority to own the property and to conduct the business that they presently conduct.
- 2. There are no actions, suits, claims, investigations, or legal or administrative or arbitration proceedings pending against or involving Sellers, or to Sellers' knowledge threatened against it.
- 3. Until the Closing Sellers will continue to operate and conduct the System in the usual, regular, and ordinary manner in all material respects. Sellers have no knowledge of any facts or circumstances which would cause Sellers to believe that there would be any material adverse changes in the operation of the System or with respect to the Assets being sold prior to the Date of Closing.
- 4. Sellers warrant that they have paid any and all payroll, sales, use, workers' compensation, or other such taxes (to the extent that Sellers are obligated to pay any such taxes) that the Sellers would owe on or before the date and time of Closing.

5. Sellers warrant and represent that the Assets to be transferred are debt free and that, as of Closing, there shall be no liens, encumbrances, or claims of any kind against said Assets to be transferred, and that there are no other parties claiming an interest in said Assets.
6. From the date of this Agreement through the Closing Sellers shall keep all of the Assets in a normal state of repair and operating efficiency, customary in the business.
7. Sellers have the legal power and right to enter into and perform this Agreement. The consummation of the transactions contemplated by this Agreement will not violate Sellers' By-laws, and, to the best of Sellers' knowledge, will not violate any law, statute or regulation to which Sellers are subject.
8. Sellers have filed all federal, state, county and local income, withholding, FICA, excise, property, sales, and use, and other tax returns that are required to be filed by it, and have paid all taxes due for periods prior to the date of this Agreement. There are no facts or circumstances as of the date of this Agreement known to Sellers that might serve as the basis for the creation of liens or liabilities against the Assets being sold hereof.
9. Sellers, as of Closing, shall provide good and marketable title as hereinabove agreed to all the properties, Assets, and rights to be delivered by it to Buyer free of all liens, charges, encumbrances except (1) taxes constituting a lien but not yet due and payable, (2) defects or irregularities of title or encumbrances that are not such as to interfere materially with the operation or use or materially reduce the value of any such property, asset, or right or materially affect title to the property, and (3) such other defects or irregularities of title or liens or encumbrances as Buyer may have waived in writing or as are contemplated above in Sections Three and Four and agreed to by Sellers' and Buyer's execution hereby.
10. Sellers have not employed any broker or agent with respect to the sale and purchase contemplated in this Agreement, nor taken any other action, nor will

Sellers take any such action, that would cause the Buyer to become liable for the payment of any finder's fee, broker's fee, or commission.

11. As of the Closing, Sellers should hold all permits necessary or appropriate for the operation of the System, and the permits shall be current and in good standing.
12. The consummation of this Agreement does not violate any Agreement to which the Sellers are subject.

SECTION SIX **BUYER'S REPRESENTATIONS AND WARRANTIES**

Buyer represents, warrants to, and agrees with Sellers as follows:

1. Buyer is a limited liability company duly organized, validly existing, and in good standing under the laws of South Carolina and has full power to carry on its business as now being conducted.
2. The execution of this Agreement and all documents provided for in this Agreement by Buyer and its delivery to Sellers have been duly authorized by Buyer's members, and no further action is necessary on Buyer's part to make this Agreement valid and binding on Buyer in accordance with its terms.
3. It will be in a position financially to fulfill the terms of this Agreement as of the Date of Closing.
4. It will use its best efforts in the operation of the System so as to meet all obligations required by this Agreement.
5. The Buyer will assume the operation of the System at Closing so as to meet all obligations required by this Agreement and those continuing after Closing.
6. Buyer has not employed any broker or agent with respect to the sale and purchase contemplated by this Agreement, nor taken any other action, nor will Buyer take any such action, that would cause Sellers to become liable for the payment of any finder's fee, broker's fee, or commission.

SECTION SEVEN **OTHER AGREEMENTS**

1. The Buyer is not assuming any liabilities in connection with the System that were incurred prior to the Date of Closing.

2. Pending Closing, the Sellers shall have the sole responsibility for the operation and management of the System as a going concern.
3. The Sellers shall indemnify and hold the Buyer harmless from and against any and all claims or actions which may be brought against the Buyer arising out of the ownership or operation of the System where such claims or actions relate to matters occurring prior to the Date of Closing. This indemnification shall include reasonable attorney's fees and costs incurred by Buyer.
4. The Buyer shall indemnify and hold the Sellers harmless from and against any and all claims or actions which may be brought against the Sellers arising out of the ownership or operation of the System where such claims or actions related to matters occurring after the Date of Closing. This indemnification shall include reasonable attorney's fees and costs incurred by Sellers.
5. Sellers further agree to indemnify and hold the Buyer and its successors and assigns harmless from and against any and all liabilities, claims, actions, suits, and judgments existing prior to the Closing and not expressly assumed by the Buyer in writing, and any costs, expenses, and reasonable attorney's fees incident to same, and incurred by the Buyer in defense of same. The Buyer agrees to provide notice of any such claim to the Sellers within (10) days of it being made, and to allow the Sellers the right to defend the claim prior to paying it or making any claim to the Sellers regarding it. This indemnification and agreement to hold the Buyer harmless shall apply to, but not be limited to, the following:
 - a. All liabilities of the Sellers and the System, of any kind or nature, whether accrued, absolute, contingent, or otherwise existing at or prior to the Closing Date;
 - b. Any tort liability of any kind or nature arising from a tort or legal wrong committed by Sellers or its employees or agents, prior to the Date of Closing;
 - c. Any violation by Sellers or Sellers' agents of any laws, statutes, rules, regulations, including those related to toxic or hazardous substances, prior to the Date of Closing; and

- d. All actions, suits, proceedings, demands, assessments, judgments, reasonable costs and expenses incident to any of the foregoing.
- 6. Pending the closing of this transaction, Buyer shall exercise no control over the operation of the System. The operation of Sellers shall be Sellers' sole responsibility up to and including the Date of Closing, or any extension of it, and all risks of loss of Sellers during that time shall be borne by Sellers.
- 7. Sellers shall be responsible for the payment of all utility services, such as metered water, incurred by it with respect to the System up to the date of Closing. Buyer shall be responsible to have such utility services transferred to its name from and after the date of Closing and to be responsible for the payment of such services from and after Closing.

SECTION EIGHT
WATER USER'S AGREEMENT

- 1. Utility shall own the water service lines ("utility service lines") up to and including the water meters located in the utility closets within all of the residential building units (i.e., condominiums) in the Development as shown on the utility plan drawing in Exhibit C. The OA shall, however, be responsible to maintain, at its own expense, said service lines from five (5) feet outside of each building up to the meters within all of the said residential building units and the OA shall be responsible for all repairs to said service lines. The OA agrees to notify the Utility of all repairs and maintenance within twenty-four (24) hours of the work performed and agrees to allow Utility to inspect all work done.
- 2. It is further agreed that Utility shall have the right, upon reasonable notice, to inspect, maintain, test, repair and replace the meters in any of the residential building units.
- 3. The Utility shall in no event be responsible for maintaining the service lines to the meters, or any other lines owned or maintained by the OA, and the Utility shall not be responsible for defects in the service lines or other lines or fixtures located within each condominium, nor for damages by water escaping therefrom.

4. The OA agrees to maintain the water service lines within all the building units in good condition at all times at the expense of the OA.
5. The OA shall agree to indemnify and hold the Utility harmless from any loss or damage to any person, owner, renter, or entity that may directly or indirectly be occasioned by use or maintenance of the service lines, meters, and/or connection to the System's water main, including leaks. This indemnity and hold harmless include the payment of Utilities attorney's fees and costs.
6. As necessity may arise in case of a break in a water main, pipe, or other conduit, or in case of an emergency or for other unavoidable cause, the Utility may temporarily cut off the water supply, without notice, in order to make necessary repairs, connections, or the like. In the event of discontinuance of water service, the Utility shall not be liable for any damages or inconvenience suffer by the OA, or for any claim against it at any time for interruption in service, lessening of the supply, inadequate pressure, or for causes reasonably beyond the Utility's control.
7. The OA agrees to purchase from the Utility, and the Utility agrees to sell and deliver to the OA, water service required for OA premises all in accordance with the rates and charges applicable to such service, as legally established, and on file with the South Carolina Public Service Commission and in accordance with the rules and regulations of the South Carolina Public Service Commission.
8. In the event the OA applies for water service, the OA agrees to pay, when due, all charges made by the Utility for water service provided to the property as described on application, i.e., riser rooms, including any assessments levied or to be levied against the property described herein and any connection or reconnection charges that have not been previously paid.
9. A late payment charge of one and one-half percent (1 ½%) shall be added to any unpaid balance not paid within twenty-five (25) days of the billing date.

SECTION NINE
EXHIBITS INCORPORATED BY REFERENCE

All exhibits referred to in this Agreement are incorporated herein by reference for all purposes.

SECTION TEN
ADDITIONAL DOCUMENTS

The parties agree to execute all documents as may be necessary to carry out the intent and provisions of this Agreement.

SECTION ELEVEN
SEWER & STORMWATER SERVICE

1. The sewer and stormwater service for the Development will be provided by the City of Clemson (the "City") and will be billed to the Utility on a monthly basis. The OA desires the Utility to bill the individual homeowners and/or customers within the Development their share of the sewer and stormwater service. The sewer portion to be billed to each homeowner and/or customer will be calculated based on the unit's water usage and the stormwater will be calculated by averaging the bill from the City by the number of units receiving a bill for their water use. The results shall be added to the homeowners and/or customers bill by a single line item for each sewer and stormwater services provided by the City.
2. The Utility will follow regulations for the discontinuance of water service to any homeowner and/or customer who fails to pay for water, sewer and/or stormwater charges.
3. The Utility will not be responsible for the City's sewer and stormwater services.
4. The Utility will charge \$4.50 monthly billing fee to each homeowner and/or customer for the purpose of calculating, collecting and processing of the sewer and stormwater charges. The OA agrees to the Utility calculating, collecting and processing the sewer and stormwater portion of the City's sewer and stormwater bill to each of the homeowner and/or customer. The OA also agrees to the \$4.50 monthly billing fee for each homeowner and/or customer.

SECTION TWELVE
GENERAL

5. Prior to the commencement of utility service for owners not already having water service as of the date of Closing, owners within the Subdivision shall be responsible for the payment to Utility of a water tap-on fee, at the rate in

effect for tap-on fees at that time, which fee will have been previously approved by the PSC. Such fees, usage and all other incidental rates and charges shall be rendered by Utility in accordance with Utility's rates, rules, regulations and conditions of service as approved by the PSC from time to time and then in effect.

6. No connections are to be made to the System unless approved by Utility.
7. From and after the Closing, Utility warrants and agrees that it shall provide all owners within the Development with good, adequate and customary water utility service at reasonable rates, such rates to have been approved by the PSC. Utility further warrants and represents that it shall operate, maintain and repair the System promptly and in a good and workmanlike manner and in such a manner as to not impair its ability to fulfill its obligation to provide good, adequate and customary water utility service to the Development.
8. Owners and/or water users in the Development shall apply for water service and agree to the terms of the "Application for Water Service and Water User's Agreement", Exhibit "B".

SECTION THIRTEEN **MISCELLANEOUS**

1. No waiver of any breach of any covenant or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof, or any other covenant or provision herein contained. No extension of time for performance of any obligation or act shall be deemed an extension of the time for performance of any other obligation or act.
2. In the event of the bringing of any action or suit by a party hereto against another party by reason of any breach of any of the covenants, agreements, or provisions on the part of any party arising out of this Agreement, then, in that event, the prevailing party shall be entitled to have and to recover of and from the other party all costs and expenses of the action or suit, including reasonable attorney's fees and any other professional fees resulting therefrom.
3. The parties hereby acknowledge and agree that time is strictly of the essence with respect to each and every term, condition, obligation, and provision

hereof and that failure to perform timely any of the terms, conditions, obligations or provisions hereof by any party shall constitute a material breach thereof and a noncurable (but waivable) default under this Agreement by the parties so failing to perform.

4. The parties hereto acknowledge that this Agreement has been negotiated and entered into in the State of South Carolina. The parties expressly agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of South Carolina.
5. The representations, warranties, rights, duties, agreements and obligations of the parties provided in this Agreement shall survive the Closing, and this Agreement shall specifically survive the Closing.
6. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.
7. This Agreement can only be amended or supplemented by a written agreement signed by the parties hereto. It may not be orally modified or changed.

The remainder of this page intentionally left blank.

Witnesses as to Sellers:

Diane W Lee
Print Name: Diane W Lee

Bill White
Print Name: Bill White

Crawford Falls Owner's Association

BY: Paige Lee III

Printed Name: PAIGE LEE III

ITS: Property Manager

Witnesses as to Buyer:

Sheila Tinsley
Print Name: Sheila Tinsley

Troy Nicholson
Print Name: Troy Nicholson

JACABB Utilities, LLC

BY: Stephen R. Goldie

Printed Name: Stephen R. Goldie

ITS: Managing Owner

EXHIBIT "A"

I. List of Assets of the System Being Transferred

1. Sub-metering system including all meters, repeaters, and transmitters
2. Service lines, valves, couplings, bends, taps, and meters
3. Miscellaneous appurtenances

II. Easements Being Transferred and Conveyed

Easement from Sellers to Utility along all roads and rights-of-way owned by the Sellers in Crawford Falls Development for ingress and egress to and from all the lots within the Development and for the purpose of having access to those components of the System that are within said rights-of-way for purposes of upkeep, maintenance, repair and replacement.

EXHIBIT "B"

Application for Water
Service and Water User's
Agreement

JACABB UTILITIES, LLC
Application for Water Service and Water User's Agreement

TO: JACABB UTILITIES, LLC
210 W. North Second Street
Seneca, South Carolina 29678

The undersigned applicant, as owner of the condominium unit described and identified herein below, hereby requests to be supplied with water service for residential purposes, and the applicant/owner agrees to pay for such service and to the other terms and conditions set out herein below:

1.) The owner, owner's tenants, and other occupants agree to indemnify and hold JACABB Utilities, LLC ("Utility") harmless from any loss or damage that may directly or indirectly be occasioned by use or maintenance of the utility service line, meter, and/or connection to the Utility's water main.

2.) As necessity may arise in case of a break in a water main, pipe, or other conduit, or in case of an emergency or for other unavoidable cause, the Utility may temporarily cut off the water supply, without notice, in order to make necessary repairs, connections, or the like. In the event of discontinuance of water service, the Utility shall not be liable for any damages or inconvenience suffered by the owner, owner's tenants, or other occupants, or for any claim against it at any time for interruption in service, lessening of the supply,

inadequate pressure, or for causes reasonably beyond the Utility's control.

3.) The applicant/owner agrees to purchase from the Utility, and the Utility hereby agrees to sell and deliver to the applicant/owner, water service required for the applicant/owner's premises all in accordance with the rates and charges as legally established, and on file with the South Carolina Public Service Commission and in accordance with the rules and regulations of the South Carolina Public Service Commission.

4.) The applicant/owner/tenant agrees to pay, when due, all charges made by the Utility for water service provided to the property described herein, including any assessments levied or to be levied against the property described herein and any connection or reconnection charges that have not been previously paid.

5.) A late payment charge of one and one-half percent (1½%) shall be added to any unpaid balance not paid within twenty-five (25) days of the billing date.

Service Address: _____

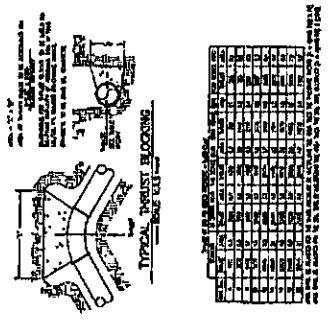
Owner (Print): _____

Signature: _____ Date: _____

Witness: _____ Date: _____

EXHIBIT "C"

Utility Plan Drawings



“EXHIBIT B”

Affidavit

THE STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

I, Stephen R. Goldie, Managing Owner of JACABB Utilities, LLC make oath and say that:

JACABB Utilities, LLC (JACABB) is applying to the South Carolina Public Service Commission for approval of an expansion of its existing water service area to include Crawford Falls Development. City of Clemson provides sewer services to the Crawford Falls Development and will submit a monthly bill to the Utility based on the water master meter for sewer fees and a flat stormwater fee for each unit. The Developer has requested JACABB to calculate and include in the each customer's water bill the appropriate sewer and stormwater fee for that billing cycle. For a nominal fee, JACABB agreed to calculate the appropriate amount per customer, bill, collect and pay for the sewer and stormwater fees for each billing cycle. JACABB has requested a \$4.50 monthly billing fee to cover the administrative costs for processing of the billing amount, collection of fees and payment to the City of Clemson for the sewer and stormwater charges. This fee is typical for this type of service.

I declare that, to the best of my knowledge and belief, the information herein is true, correct, and complete.

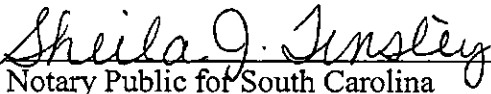


Stephen R. Goldie

STATE OF SOUTH CAROLINA
COUNTY OF OCONEE

I, the undersigned Notary Public, do hereby certify that the foregoing instrument was acknowledged before me this 10th day of January, 2018 and the document was executed by the above named Stephen R. Goldie of his own free will.

Witness my hand and seal this 10th day of January, 2018.



Notary Public for South Carolina

Commission expires: April 27, 2026